Application No. 09/643,274   **Atty Docket: ICLS 1001-2**

REMARKS

Claims 1-25, 27-33 and 50 were examined in the prior office action. Claim 2 and 4 are cancelled. Claims 51-53 are new. Claims 1, 8, 11, 14, 16, 24 and 29 are currently amended. The claims were rejected variously under 35 USC 102(e) and 35 USC 103(a).

The Specification

The Abstract has been objected to for language and format. The word "means" has been removed from the abstract.

Claim Rejections Under 35 USC 102

Claims 1-3, 9, 10 and 29-33 are rejected under 35 USC 102(e) as being anticipated by Ginter et al. (USP 6,185,683). Claim 2 has been cancelled.

The rejected claims have been amended. The typical result of the amendment can be seen in claim 1:

> *a closing server repeatedly interacting with one or more of the parties to build building a transaction database including a plurality of agreed closing conditions for the real estate transaction, wherein a closing condition includes,*
>
> > *a legally binding statement of the closing condition,*
> >
> > *a designation of the closing condition as an active condition or a passive condition,*
> >
> > *a deadline for removal of the closing condition, and*
> >
> > *a selection from among the parties with registered digital identifications of an authorized party entitled to clear the closing condition;*

The cited reference does not include these limitations. The so-called conditions in Ginter et al. appear in FIG. 130A, in clipboard 4704, in the form of a traditional shorthand checklist, not as *a legally binding statement of the closing condition* recorded in a transaction database. The electronic rules that the so-called trusted go-between may check off appear in FIG. 130A on a clipboard 4704 (see, col. 55, lines 3-9).

In columns 54-55 of Ginter et al., which discuss a real estate transaction, there is no teaching to distinguish between active conditions that require a party's active approval to proceed and passive conditions that are satisfied by the passage of time. Nor is there any teaching of characterizing entries in Ginter's electronically-maintained

condition list as passive or active conditions. Applicants have determined that this characterization greatly facilitates processing by the closing server.

Ginter el al. does not teach identification of the parties authorized to clear a closing condition. Frankly, the trusted go-between activities listed in column 54 evoke the image of a person sitting at a terminal, not an artificial intelligence. There is no written description in Ginter et al. cols. 54-55 of how a computer would carry out the activities attributed to the trusted go-between to complete a real estate transaction. One of the enabling steps that Ginter does not teach is the claimed *selection ... of an authorized party entitled to clear the closing condition.*

Similar amendments have been made to claim 29.

Therefore, Applicants respectfully submit that claims 1, 3, 9, 10 and 29-33 are allowable over Ginter et al.

Claim Rejections Under 35 USC 103

Claims 4-8, 24, 25, 27, 28 and 50 are rejected under 35 USC 103(a) as being unpatentable over Ginter et al. (USP 6,185,683) in view of Broerman (USP 6,594,633). Claim 4 has been cancelled.

Claims 5-8 are allowable for at least the same reasons as claim 1 from which they depend.

Claim 24 has been amended to include:

> a *closing server repeatedly interacting* with one *or more of the parties to* build ~~building~~ a transaction database including a plurality of agreed closing conditions for the real estate transaction, including one or more passive conditions and corresponding passive condition deadlines, wherein the passive conditions are satisfied by the passage of time unless a further step is taken, wherein a closing condition further includes,
>
>> a legally binding statement of the closing condition and
>>
>> a selection from among the parties with registered digital identifications of an authorized party entitled to clear the closing condition; and

Neither of the cited references include these limitations. The so-called conditions in Ginter et al. appear in FIG. 130A, in clipboard 4704, in the form of a traditional shorthand checklist, not as a *legally binding statement of the closing condition* recorded in a transaction database. The electronic rules that the so-called trusted go-between may check off appear in FIG. 130A on a clipboard 4704 (see, col. 55, lines 3-9). As previously argued (persuasively), Broerman operates as a word

processor and does not include anything akin to a database of closing conditions, much less a database including specific information.

Ginter et al. does not teach identification of the parties authorized to clear a closing condition. Frankly, the trusted go-between activities listed in column 54 evoke the image of a person sitting at a terminal, not an artificial intelligence. There is no written description in Ginter et al. cols. 54-55 of how a computer would carry out the activities attributed to the trusted go-between to complete a real estate transaction. One of the enabling steps that Ginter does not teach is the claimed *selection ... of an authorized party entitled to clear the closing condition.* As previously argued (persuasively), Broerman operates as a word processor and does not include any facility for associating an electronic identification of an authorized party with a closing condition.

Claims 25, 27, 28 and 50 depend from claim 24 and are allowable for at least the same reasons as claim 24.

Therefore, Applicants respectfully submit that claims 5-8, 24, 25, 27, 28 and 50 are allowable over Ginter et al. in view of Broerman.

Claims 11-23 are rejected under 35 USC 103(a) as being unpatentable over Ginter et al. (USP 6,185,683) in view of Klein, Jeffrey S.: "Ending Confusion on Real Estate Terms", The Los Angeles Times [Home Edition], Feb. 25, 1988, page 7 (Klein or Klein's glossary).

Claim 11 has been amended to include limitations similar to claim 1:

> *a closing server repeatedly interacting with one or more of the parties to build building a transaction database including a plurality of agreed closing conditions for the real estate transaction, including a title insurance condition and a plurality of other conditions, wherein a closing condition includes,*
>
>> *a legally binding statement of the closing condition,*
>>
>> *a designation of the closing condition as an active condition or a passive condition,*
>>
>> *a deadline for removal of the closing condition, and*
>>
>> *a selection from among the parties with registered digital identifications of an authorized party entitled to clear the closing condition;*

Application No. 09/643,274   **Atty Docket: ICLS 1001-2**

Neither of the references proposed to be combined include these limitations. Ginter et al. is fully discussed above. Klein is nothing more than a glossary. It does not include the actions specified in these limitations.

Regarding claims 12-19, 22 and 23, the Examiner admits that the limitations recited in these claims are not provided in any of the cited references. Applicants respectfully submit that it is not enough to say that the Klein glossary can be combined with a reference that says nothing about title insurance and still meet the detailed limitations of these claims.

Claims 20-21 depend from claim 11 and claim 50 depends from claim 1. These claims should be allowable for at least the same reasons as the claims from which they depend.
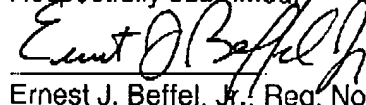
Therefore, Applicants respectfully submit that claims 11-23 and 50 are allowable over Ginter et al. in view of Klein's glossary.

CONCLUSION

Applicants respectfully submit that the claims, as amended and stated herein, are in condition for allowance and solicit acceptance of the claims, in light of these remarks. If the Examiner disagrees and sees amendments that might facilitate allowance of the claims, a call would be appreciated.

Should any questions arise, the undersigned can ordinarily be reached at his office at 650-712-0340 from 8:30 to 5:30 PST, M-F and can be reached at his cell phone 415-902-6112 most other times.

Respectfully submitted,

Dated: 13 January 2005

Ernest J. Beffel, Jr., Reg. No. 43,489

HAYNES BEFFEL & WOLFELD LLP
P.O. Box 366
Half Moon Bay, CA 94019
(650) 712-0340 phone
(650) 712-0263 fax